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TS #141562

I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

19 March 1957

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Threat of Egyptian-Israeli Hostilities

Attached, for information, is a memorandum on this subject which was discussed at the IAC meeting on 19 March. Also attached is a supplementary memorandum, which was discussed at the meeting, summarizing the status of the Israeli-Egyptian crisis at that time.



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Secretary
Intelligence Advisory Committee

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C E N T R A L I N T E L L I G E N C E A G E N C Y

15 March 1957

MEMORANDUM FOR: Director of Central Intelligence
SUBJECT: Dangers in the Egyptian-Israeli Situation

1. Prospects for the outbreak of new violence in the Egyptian-Israeli situation have been increased by the provocative manner of the Egyptian return to Gaza.

2. Israeli leaders are politically and personally committed to establishing Israel's claims to free passage through the Gulf of Aqaba and to insuring that at a minimum the Gaza Strip does not become once again a base for Egyptian fedayeen and military pressures against Israel. The Israeli government and people are in an angry mood, and have already threatened to resort to force if they cannot attain their objectives by peaceful means.

3. The Egyptians almost certainly feel themselves to be in a strong position diplomatically, though not militarily. Within the last few days, Egypt strongly emphasized that Gaza is subject to Cairo's jurisdiction under the armistice agreement and that the UN is there on Egyptian sufferance. This position has apparently been acquiesced in by Messrs. Hammarskjold and Dunche. Nasser almost certainly assumes

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that the UN would be very reluctant to use the UNEF (which includes detachments from such states as India and Yugoslavia) to impose new restraints on Egypt not acquiesced in by the latter.

The Gaza Problem

4. Egypt has moved more promptly and aggressively than apparently UN officials anticipated in reasserting its authority in Gaza. An Egyptian major general has been designated civil governor of the Gaza Strip and has already arrived with a small detachment of military police and military and civilian advisors. According to press reports, he has begun to exercise administrative authority. Egypt's sharp criticism of the UNEF for firing on demonstrators in Gaza -- who were almost certainly organized by the Egyptian government -- appears to presage an effort to have the UNEF relegated to border patrol duties, if not entirely removed from the Gaza Strip. Three fedayeen, armed and equipped with arms and dynamite, were apprehended by UNEF troops while attempting to cross into Israel on the night of 13 March. There are other reliable reports that fedayeen are again present in Gaza.

5. It is possible that the present hard line of the two sides contains some element of exaggeration and that either or both of them may modify their positions under strong pressure from the UN, the US and others. Mrs. Meir's return to the US suggests that the Israeli may, at least for a limited time, still seek a diplomatic solution. Nonetheless, Israel may take military action at any time. Egypt appears to be determined to restore full control over the area soon as possible, and -- at least in the absence of new instructions from the General Assembly -- the UN authorities will have no basis for opposing it. If Egypt should seek to reintroduce substantial numbers of Egyptian troops into Gaza or resume extensive fedayeen raids, Israel would almost certainly resort to force. Even without such acts, there is close to an even chance that continued Egyptian moves toward consolidating its control over Gaza would lead Israel to take military action. There is also some danger that Israel has already become so emotionally committed to an all-or-nothing policy and might elect to resort to force even if Egypt made some moves toward compromise.

6. If Israel decides on military action, it would almost certainly have the moral backing of France, and perhaps some military

support in the form of air cover. France has continued to supply

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7. Should Israel resort to armed force, the USSR would join the Arab-Asian and other states in opposing Israel by diplomatic and propaganda methods, including activity in the UN. It seems unlikely that the armed conflict would last very long, or that it would spread beyond the Gaza area, since we believe that neither Israel nor Egypt would wish to enlarge it. For this reason we think it unlikely that Soviet military or technical personnel in Egypt (or Syria) would become involved.

The Gulf of Aqaba Issue

8. The Israeli government is firmly committed to test its rights to "innocent passage" through the Gulf of Aqaba,* and may do so with a chartered Danish freighter within the next week. The

* Israel has also talked of testing its claims to free use of the Suez Canal, though present indications are that it will probably delay on the latter point pending an interim arrangement on general use of the canal.

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Israelis may also send one or more of its naval vessels now at Elath (two frigates and supporting motor launches) through these waters. There is a better than even chance that such a test will encounter no more than verbal opposition from Egypt and the other Arab states. Egypt will be unable to interdict the Straits of Tiran with shore batteries so long as the UNEF remains in occupation. Egyptian naval forces in the area are inferior to those of Israel, and Egypt would probably stop short of using its IL-28's to prevent passage of Israel-bound shipping. However, Egypt and the other littoral states of the Gulf, Saudi Arabia and Jordan, will refuse to acknowledge any successful passage as legitimate, and once UNEF forces withdrew Egypt might seek to interdict the Straits, thereby almost certainly precipitating a new military clash with Israel. An Egyptian official in Cairo has already taken the line that the UN has no justification for maintaining forces in Sharm el-Sheikh.

FOR THE BOARD OF NATIONAL ESTIMATES

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SHERMAN KENT
Assistant Director
National Estimates

TO [REDACTED] TS # 141562

C E N T R A L I N T E L L I G E N C E A G E N C Y

19 March 1957
(Revised)

MEMORANDUM FOR: The Director of Central Intelligence

Subject: Status of the Israeli-Egyptian Crisis

Diplomatic Developments

1. Mrs. Meir is scheduled to return to Israel following meetings with Secretary of State Dulles and UN Secretary-General Hammarskjold yesterday. It is still too early to know the effect on the Israeli government of the joint statement issued by Mrs. Meir and Secretary Dulles in which the latter reaffirmed previous US statements regarding the Egyptian-Israeli situation and stated that the US "stood firmly by the hopes and expectations" it had expressed regarding the status of the UN in Gaza, the "innocent passage" of the Straits of Tiran issue, and a settlement of the Suez Canal problem.

However, private statements by Ambassador Liban [REDACTED]

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25X1X [REDACTED] suggest that the Israelis may be willing to acquiesce in limited Egyptian civil administration in Gaza. Furthermore, the Israeli radio in its home service and certain moderate newspapers have taken a rather restrained line on the Gaza situation. Mrs. Meir has reiterated Israel's opposition to the stationing of UNEF troops on its side

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of the armistice line. In furtherance of its claims to free passage of the Gulf of Aqaba, Israel sent a small vessel, the Malkat Sheva (Queen of Sheba), through the Straits of Tiran yesterday outbound from Elath, and Danish and Italian freighters under Israeli charter and bound for Elath are due to pass through the Straits in the next few days. Israel/announced it will send an Israeli flag ship through the Gulf as "a test case" as soon as a vessel and sufficient cargo are available. Israel has also reported that one or more US-flag oil tankers now under charter will be placed on the Elath run beginning next month.

2. Hammarskjold is scheduled to leave for Cairo today. Although still convinced that he has no legal authority to curb Nasser, Hammarskjold has indicated his intention to bring strong pressure on him and to this end has requested and received a restatement of the US position on the issues involved. Ambassador Hare has expressed to Nasser US concern over the provocative nature of recent Egyptian moves; though Hare reports that Nasser was "somewhat shaken" by the tenor of US representations and may follow a more cautious line, Hare was unable to secure any specific commitments. Egypt has already circulated a draft of its terms for use of the Suez Canal. They contain the requirement that tolls be paid to Egypt and in general fail

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to meet the four power proposals for an interim arrangement on use of the canal. The Egyptians have been joined by the Saudi Arabians in opposing Israeli use of the Gulf of Aqaba.

Egyptian Moves

3. In Gaza the Egyptian pressure on the UN has continued: the UNEF has been displaced from its headquarters building; Egyptian Frontier Corps personnel have been moved to the Gaza border (and also the Gulf of Suez); and there has been an unimpeded influx of refugees and other Arabs from Egypt into Gaza. Egypt has not so far sought to reintroduce Egyptian troops into Gaza but there are additional reports that fedayeen are being introduced. According to the press, the UNEF has turned over local public security functions to the Palestine police under the supervision of the Egyptian Gaza administration. [REDACTED]

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[REDACTED] armor, artillery, and infantry are being moved into the Sinai peninsula. Egypt has reiterated its demands that the UNEF confine itself to border patrol activities and that it be posted on both sides of the line. Egyptian troops are reported to be heading for Sharm el-Sheikh.

4. Israeli Military Moves. [REDACTED]

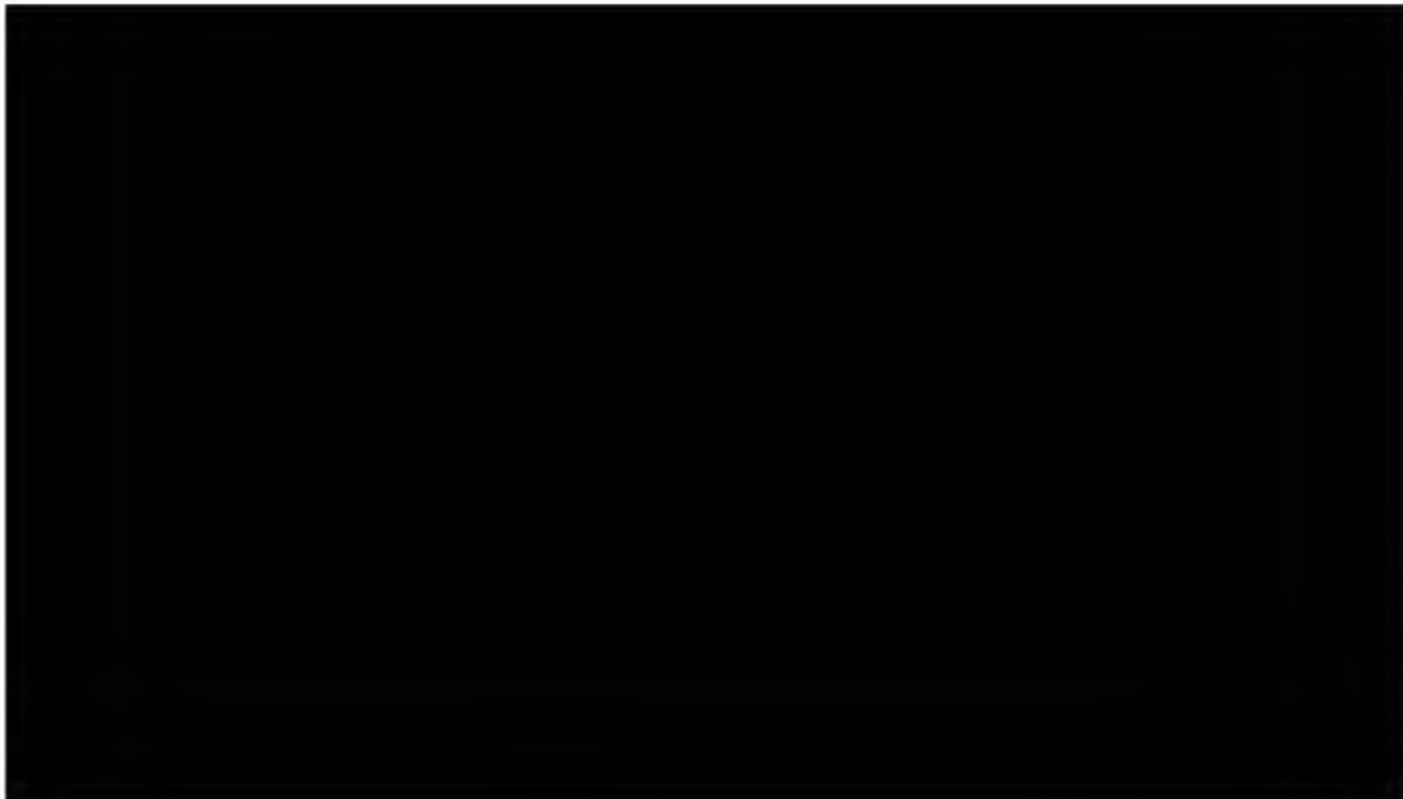
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have reported no unusual Israeli mobilization activity. They point out, however, that Israel has enough strength in being to reoccupy Gaza

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without difficulty and with little or no warning. Heavy rains have created conditions which would be a deterrent to, but not prevent a major military undertaking.

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FOR THE BOARD OF NATIONAL ESTIMATES

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SHERMAN KENT
Assistant Director
National Estimates

C E N T R A L I N T E L L I G E N C E A G E N C Y

15 March 1957

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Dangers in the Egyptian-Israeli Situation

1. Prospects for the outbreak of new violence in the Egyptian-Israeli situation have been increased by recent events. The basic incompatibility of Israeli and Egyptian aims and the lack of firm agreement regarding the assumptions surrounding Israel's withdrawal have all along threatened the stability of the Arab-Israeli situation. The danger now exists that the aggressive manner of the Egyptian return to Gaza will precipitate a sharp Israeli reaction, possibly culminating in military action.
2. Israel withdrew from Sharm el-Sheikh and the Gaza Strip reluctantly and in the face of heavy popular and parliamentary opposition. Israeli leaders are politically and personally committed to establishing Israel's claims to free passage through the Gulf of Aqaba and to insuring that at a minimum the Gaza Strip does not become once again a base for Egyptian fedayeen and military pressures

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against Israel. The Israeli government and people are in an angry mood, and have already threatened to resort to force if they cannot attain their objectives by peaceful means.

3. The Egyptians have insisted upon an unconditional Israeli withdrawal from Gaza and Sharm el-Sheikh. They almost certainly feel themselves to be in a strong position diplomatically, though not militarily. Within the last few days, Egypt strongly emphasized that Gaza is subject to Cairo's jurisdiction and the UN is there on Egyptian sufferance. Nasser almost certainly assumes that the UN would be very reluctant to use the UNEF (which includes detachments from such states as India and Yugoslavia) to impose new restraints on Egypt. He probably considers that the UN would feel compelled to withdraw the UNEF entirely if Egypt exerted sufficient pressure.

The Gaza Problem

4. Egypt and Israeli are in sharp disagreement over the current status of the Gaza Strip. Despite Secretary General Hammerskjold's declaration that the UN was taking over on the basis of Egyptian consent and would therefore, by implication be temporary, Israel has continued to assert that Egypt's return to Gaza "in any form whatever" was unacceptable and would "mean war". Egypt has moved

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more promptly and aggressively than apparently UN officials anticipated in reasserting its authority in Gaza. An Egyptian major general has been designated civil governor of the Gaza strip and has already arrived with a small detachment of military police and military and civilian advisors. According to press reports, he has begun to exercise administrative authority. Egypt's sharp criticism of the UNEF for firing on demonstrators in Gaza - who were almost certainly organized by the Egyptian government - appears to presage an effort to have the UNEF relegated to border patrol duties, if not entirely removed from the Gaza Strip. Three fedayeen, armed and equipped with arms and dynamite, were apprehended by UNEF troops while attempting to cross into Israel on the night of 13 March. There are other indications that fedayeen are again present in Gaza.

5. Although it is possible that the present hard line of the two sides contains some element of exaggeration and that either or both of them may modify their positions under strong pressure from the UN, the US and others, we believe there is at least an even chance that Israel will take military action to expel Egypt from the Gaza Strip. Egypt appears to be determined to restore full control over

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the areas soon as possible, and - at least in the absence of new instructions from the General Assembly - the UN authorities will have no legal basis for opposing it. If Egypt continues its rapid restoration of control in Gaza -- particularly if it should continue its fedayeen preparations or seek to reintroduce Egyptian troops into Gaza -- the pressure on the Israeli government to resort to force would probably become overwhelming. Even if Egypt made some moves toward compromise, there is some danger that Israel would still become emotionally committed to an all-or-nothing policy and another resort to force. If Israel decides on military action, it would almost certainly have the backing of France, which has continued to supply arms to Israel.

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6. Regardless of developments in the near future, Gaza will remain a continuing source of tension. A modus vivendi offering some minimal safeguards to Israel would be extremely difficult to achieve, particularly since it would probably necessitate Israel's abandonment of its stoutly maintained opposition to the stationing of UNEF forces on its side of the line. The future of the UNEF is

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uncertain in view of the probable opposition of both Egypt and many of the participants to its long-term maintenance. Finally, even if Egypt is induced to adopt a more conciliatory course for the time being, it is sooner or later likely to resume its military and fedayeen pressures against Israel.

The Gulf of Aqaba Issue

7. The Israeli government is firmly committed to test its rights to "innocent passage" through the Gulf of Aqaba,* and may do so with a chartered Danish freighter within the next week. The Israelis may also send one or more of its naval vessels now at Elath (two frigates and supporting motor launchos) through these waters. There is a better than even chance that such a test will encounter no more than verbal opposition from Egypt and the other Arab states. Egypt will be unable to interdict the Straits of Tiran with shore batteries so long as the UNEF remains in occupation. Egypt has inferior naval forces in the area and would probably stop short of using its IL-28's to prevent passage of Israeli-bound shipping.

* Israel has also talked of testing its claims to free use of the Suez Canal, though present indications are that it will probably delay on the latter point pending an interim arrangement on general use of the canal.

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However, Egypt and the other littoral states of the Gulf, Saudi Arabia and Jordan, will refuse to acknowledge any successful passage as legitimate, and once UNEF forces withdrew Egypt might seek to interdict the Straits, thereby almost certainly precipitating a new military clash with Israel. An Egyptian official in Cairo has already taken the line that the UN has no justification for maintaining forces in Sharm el-Sheikh.